# MINUTES OF THE NATURAL RESOURCES, AGRICULTURE, AND ENVIRONMENT INTERIM

#### **COMMITTEE**

Wednesday, June 15, 2005 – 2:00 p.m. – Room W125 House Building

Mem	hore	Proc	ant.
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Sen. Thomas V. Hatch, Senate Chair

Rep. Roger E. Barrus, House chair

Sen. Michael G. Waddoups

Rep. Jackie Biskupski

Rep. Craig W. Buttars

Rep. Margaret Dayton

Rep. Carl W. Duckworth

Rep. James R. Gowans

Rep. Kory M. Holdaway

Rep. Bradley T. Johnson

Rep. John G. Mathis

Rep. Michael E. Noel

Rep. Richard W. Wheeler

# **Members Absent:**

Sen. Gene Davis

Sen. Beverly Ann Evans

Sen. Parley G. Hellewell

Rep. Ronda Rudd Menlove

Rep. David Ure

Rep. Mark A. Wheatley

#### **Staff Present:**

Mr. J Brian Allred, Policy Analyst

Ms. Jeanenne B. Larson, Associate General

Counsel

Ms. Joy L. Miller, Legislative Secretary

**Note:** A list of others present and a copy of related materials can be found at <a href="www.le.utah.gov">www.le.utah.gov</a> or by contacting the committee secretary, Joy Miller, at 538-1032. A recording of the meeting is available from the committee secretary.

#### 1. Committee Business

Chair Hatch called the meeting to order at 2:20 p.m. Sen. Evans, Sen. Hellewell, Rep. Menlove, and Rep. Wheatley were excused from the meeting.

**MOTION:** Rep. Holdaway moved to approve the minutes of the May 18, 2005 meeting. The motion passed unanimously with Rep. Biskupski, Rep. Buttars, and Rep. Gowans absent for the vote.

# 2. Introduction of New Appointees in the Department of Natural Resources

Ms. Mary Tullius, Director, Division of State Parks and Recreation, indicated that the Legislature appropriated \$2 million to the division in the last general session. She distributed a list of the proposed projects to be completed with the funding, a map indicating where the projects are located, and "Vision 2010 Strategic Plan."

Mr. John Baza, Director, Division of Oil, Gas, and Mining, stated he viewed his role as a facilitator to help bring the benefits of oil, gas, and minerals to the citizens of Utah while still protecting the state's quality of life. He stressed the need to work closely with federal counterparts.

# 3. Overview of Potential Energy Resource Development in Utah

Mr. Rick Allis, Director, UGS (Utah Geological Survey), distributed "Utah's Energy & Mineral Production Trends." He commented that 2004 was a record year for mineral production value due largely to higher commodity prices. The decline in oil production and value should be halted with increasing Wolverine/Covenant field production.

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Mr. Baza distributed "Utah Applications for Permit to Drill." Last year over 1,000 drilling applications were processed and approved. In 2004 14.8 million barrels of oil and 293 billion cubic feet of natural gas were produced in the state. Mr. Baza distributed "Central Utah Oil and Gas Activity (as of 6/15/2005)." There are two wells in Sevier County that are currently producing.

Mr. Thomas Chidsey, Senior Geologist and Petroleum Section Chief, UGS, referred to the "Explorer" and "Energy News" articles that were mailed to the Committee. He discussed the Wolverine Covenant Field Production and pointed out the potential areas where additional oil discoveries could be made.

Mr. David Tabet, Energy and Minerals Program Manager, UGS, distributed "100 Years of Exploration" and a series of maps depicting the location of Utah's tar sand deposits most of which are in the Uinta Basin. Water rights questions exist for this type of development. There is also a lack of pipeline and refinery infrastructure to handle these products. He referred to Salt Lake Tribune article "Utah part of oil shale project."

# 4. Draft Legislation - Archeological Resources Amendments

Rep. Johnson discussed Draft Legislation, "Archeological Resources Amendments." The bill requires the Division of State History and certain state and local governmental entities to report annually to specific legislative committees regarding the impact of Division of State History operations on state and local governmental entities.

Mr. Wilson Martin, State Historic Preservation Officer, Division of State History, distributed "2003-2004 Annual Report." He said their role has always been to advise and assist. There is a misconception among the public that if a property is added to the state register, that property is automatically protected. He noted that heritage tourism is one of the reasons people travel to Utah. Mr. Martin stated he was supportive of the proposed bill but added that it may need some refinements.

Mr. Kevin Jones, State Archeologist, noted they are acting in the best interest of the state by complying with the law. It is better to proceed properly with a project than have it shut down by a lawsuit.

Sen. Hatch requested that Mr. Martin meet with Rep. Johnson and committee staff to address issues of concern.

### 5. Other Business / Adjourn

Mr. Jim Karpowitz, Division of Wildlife Resources, commented that the Wildlife Board approved a management plan for wolves which will take effect after wolves are delisted as an endangered species. He noted that the plan will be completed by July 1, 2005.

Chair Hatch requested that a representative of the State Fairpark be asked to report to the Committee on the proposed soccer stadium.

**MOTION:** Rep. Dayton moved to adjourn the meeting. The motion passed unanimously.

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Chair Hatch adjourned the meeting at 4:30 p.m.